

**SENATE COMMERCE, LABOR & AGRICULTURE Amendment #1**

**Amendment No. 1 to SB0720**

**Southerland  
Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 720**

**House Bill No. 315\***

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 10, is amended by adding the following as a new, appropriately designated section:

SECTION 56-7--.

(a) A health insurance entity, as defined in § 56-7-109, regardless of status as a participating organization of the Council on Affordable Quality Healthcare (CAQH) or its successor, shall notify the health care provider of the results of the provider's clean CAQH credentialing application and shall notify the health care provider as to whether or not the health insurance entity is willing to contract with that provider within ninety (90) calendar days after receipt of the completed application. A clean CAQH application means an application that has no defect, misstatement of facts, improprieties, including a lack of any required substantiating documentation, or particular circumstance requiring special treatment that impedes prompt credentialing;

(b) Unless required otherwise by a national accrediting body, a health insurance entity shall accept and begin processing a completed credentialing application, whether a CAQH or the health insurance entity's application, as early as ninety (90) calendar days before the anticipated employment start date of the health care provider.

(c) Unless required otherwise by a national health insurance entity accrediting body, a health insurance entity shall not mandate, in order to process a credentialing application, whether a CAQH or the health insurance entity's application, that a health care provider have an active malpractice insurance

policy and bear the unnecessary costs of the premiums before the provider's employment start date.

(d) No health insurance entity shall reflect in either written material sent to its members or on a website available to its members that a health care provider is an in-network provider or that the provider's credentialing application is pending approval until such time as a contract is signed by both the provider and the health insurance entity and the provider is eligible to be reimbursed as an in-network provider.

(e) Nothing in this section shall require a health insurance entity to contract with a provider if the health insurance entity and the provider do not agree on the terms and conditions of the provider contract. Nothing in this section creates a private cause of action against a health insurance entity.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to the end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect on October 1, 2007, the public welfare requiring it.